



Public Service Commission of Wisconsin

Daniel R. Ebert, Chairperson
Robert M. Garvin, Commissioner
Mark Meyer, Commissioner

610 North Whitney Way
P.O. Box 7854
Madison, WI 53707-7854

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Contact: Linda Barth
(608) 266-9600

PSC Chair Proposes Plans to Look at Ways to Lower Natural Gas Impacts on Ratepayers

MADISON – Public Service Commission of Wisconsin Chairperson Daniel Ebert proposed today that the Commission should initiate a policy discussion on utilities' natural gas purchasing strategies to look for more opportunities to save ratepayers' money.

"It is critical that we move now to try to take any steps available to us to lower the impacts of volatile natural gas prices on Wisconsin's businesses and families," Chairperson Ebert said. "This winter we are seeing more families falling behind on their utility bills because they just can't make their household budget stretch to meet the cost of run away natural gas prices, and businesses that use natural gas in their operations are feeling the pinch of high natural gas prices, as well." He said that Wisconsin consumers will pay \$450 million more on their electric bills due solely to high, unregulated natural gas prices.

At a speech to the Wisconsin Public Utility Institute, Chairperson Ebert pointed out, "Since natural gas is an unregulated commodity, clearly only Congress can have any direct control over the price and supply of natural gas. However, the PSC is looking to work with customer groups and utilities to make sure we are taking every step possible to get the best price for natural gas. Since there is no mark-up in the price customers pay for natural gas, the resulting savings will be passed on to ratepayers."

Chairperson Ebert noted that Wisconsin is taking all steps available at the state level to respond to the impacts of high, unregulated natural gas prices such as Governor Doyle's Energy Help Initiative where the Governor doubled the amount of heating assistance for low income families and the bipartisan move to expand eligibility and funds for heating assistance to more families this winter.

He also praised the Midwest Natural Gas Initiative where eight states, including Wisconsin, will work to cut natural gas consumption by five percent over the next five years. By pooling conservation efforts, the states estimate they can impact the unregulated natural gas market and lower natural gas prices by 13 percent. Ebert explained that passage of the energy efficiency and renewables legislation move that is before the State Assembly today (Senate Bill 459) is the key to Wisconsin attaining the goal.

Chairperson Ebert explained that under his proposal, the PSC will look at utilities' contracts for purchasing natural gas, storage of natural gas and current programs that provide incentives for utilities to get the best natural gas price possible. "This will be an excellent opportunity for the PSC, utilities and energy stakeholders to work together and look at current purchasing practices to ensure low costs given the volatility and extreme prices we have seen recently in the natural gas market," Ebert said today.

The Commission will consider the proposal at their Open Commission Meeting tomorrow.

(END)